

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON APPROPRIATIONS

Call to Order: By **CHAIRMAN STEVE VICK**, on April 3, 2001 at 8:00 A.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. Steve Vick, Chairman (R)
Rep. Dave Lewis, Vice Chairman (R)
Rep. Matt McCann, Vice Chairman (D)
Rep. John Brueggeman (R)
Rep. Rosalie (Rosie) Buzzas (D)
Rep. Tim Callahan (D)
Rep. Edith Clark (R)
Rep. Bob Davies (R)
Rep. Stanley Fisher (R)
Rep. Dick Haines (R)
Rep. Joey Jayne (D)
Rep. Dave Kasten (R)
Rep. Christine Kaufmann (D)
Rep. Monica Lindeen (D)
Rep. Jeff Pattison (R)
Rep. Art Peterson (R)
Rep. Joe Tropila (D)
Rep. John Witt (R)

Members Excused: None.

Members Absent: None.

Staff Present: Paula Broadhurst, Committee Secretary
Taryn Purdy, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 65, SB 386, SB 394, SB 131
Executive Action: None

HEARING ON SB 65

Sponsor: SEN. ALVIN ELLIS, SD 12, RED LODGE

Proponents: Lance Melton, MT. School Board Association
Dave Puyer, Executive Director, Rural School Association
Kathy Fabiano, Office of Public Instruction
Loran Frazier, School Administrators
Jeff Hindoien, Legal Counsel, Governors Office

Opponents: None

Opening Statement by Sponsor:

SEN. ALVIN ELLIS, SD 12, RED LODGE, handed out a chart regarding the tax base **EXHIBIT (aph75b01)**. He also presented proposed amendments **EXHIBIT (aph75b02)**. He explained how SB 65 would change the tuition laws and expressed the responsibility would begin with the entity paying the tuition. He mentioned the geographic boundaries pertaining to properties of schooling. He went through the proposed amendments and gave clarifications.

Proponents' Testimony:

Lance Melton, MT. School Board Association, supported the legislation in its current form. He had concerns pertaining to limiting the geographic locations. He explained the fiscal note and felt the conceptual amendment would offer a straight 80% placement of all state placements.

Dave Puyer, Executive Director, Rural School Association, explained the interim committee. He offered the efforts from the committee and the effects involved with establishing this bill. He felt this bill offered the education community a good base and he reflected upon the fiscal impact.

Kathy Fabiano, Office of Public Instruction, said the audit report had corrected the issue of students crossing county lines. She explained locations of school districts and how this would be effective. She felt there were barriers for students being able to attend schools.

Loran Frazier, School Administrators, explained factors pertaining to the geographics with state placements of boundaries and parents choose to cross the state lines.

Jeff Hindoien, Legal Counsel, Governors Office, supported the bill with the proposed amendments reducing the fiscal impact. He felt the disparity of tuition dealt with crossing of county lines and this was an issue that would be addressed in this bill.

Opponents' Testimony: None

Questions from Committee Members and Responses:

REP. ROSIE BUZZAS asked for clarification of the amendments.

SEN. ELLIS explained the tuition base.

REP. BUZZAS asked if this would deal with children in court placements. **SEN. ELLIS** answered yes.

REP. BUZZAS asked who would make up the rest of the cost. **SEN. ELLIS** explained it would reflect from the district where the child came from.

REP. BUZZAS wondered if the district paid any of the cost currently. **SEN. ELLIS** said the district would pay if the child did not cross a county boundary.

REP. MATT MCCANN asked about the tuition and ANB amendments. **SEN. ELLIS** said this would not deal with ANB. He stated base funding is the amount paid for school districts. Tuition would be for students who attend out of district.

{Tape 1; Side B}

REP. JEFF PATTISON referred to a situation in valley county regarding the school locations and boundaries. He asked how this bill would effect scenarios like this. **SEN. ELLIS** said currently the state would be paying tuition for the boundaries used, known as a guaranteed payer.

REP. JOHN WITT asked about districts losing the ANB. **SEN. ELLIS** answered yes, but said it was delayed by a year.

REP. WITT asked when crossing state lines does the ANB monies follow. **SEN. ELLIS** answered yes.

REP. BOB DAVIES asked if a school district could pay any charge for a non-resident, out of district student. **SEN. ELLIS** answered no. He said they would be limited to a formula resulting from a tuition amount.

REP. BUZZAS asked how much would ANB per student be. **Kathy Fabiano** said for a high school student it was approximately \$5,000. She said the state would pay 44.7% of that amount plus the guaranteed tax base.

REP. BUZZAS asked about the difference. **Kathy Fabiano** said the difference would be made up through tuition paid by the resident district through a permissive non-capped, non-votive property tax levy.

REP. BUZZAS asked if the bill would shift the responsibility to the local areas for the costs involved. **Kathy Fabiano** answered yes and explained the district areas.

REP. MCCANN asked about the waiving of tuition. **Kathy Fabiano** explained districts waiving tuition.

REP. MCCANN asked if they choose to waive tuition due to the ANB amount. **Kathy Fabiano** explained county enrollment, space involved and students coming into the district.

REP. WITT asked if taxpayers were paying the transportation contracts. **Kathy Fabiano** said Helena district already has the A&B. She said the state would pay for transportation regardless of the district they were attending.

REP. WITT asked the sponsor the same question. **SEN. ELLIS** said it would not result in an extra transportation cost.

Closing by Sponsor:

SEN. ALVIN ELLIS, SD 12, RED LODGE, closed on his bill and felt it would effect the geographic boundaries. He said schools were allowed to put tuition above the base and therefore not reduce their supplement plus to make it easier for parents and state to pay.

HEARING ON SB 386

Sponsor: **SEN. MIGNON WATERMAN, SD 26, HELENA**

Proponents: **Bob Peake, Chief Probation Officer, Havre**
Sandy Oitzinger, Executive Director, MT. Juvenile
Probation Officers Association

Opponents: **None**

Opening Statement by Sponsor:

SEN. MIGNON WATERMAN, SD 26, HELENA, stated the bill would deal with delinquency pilot projects established from 1997. She said the legislation would continue the status quo and she offered a background review on the pilot projects. This bill was brought forth due to the proposed costs involved.

Proponents' Testimony:

Bob Peake, Chief Probation Officer, Havre, explained the funding of the bill. He felt it would not cost the state a considerable amount of money. He mentioned the placement of youth and how the Department of Corrections would be involved with this issue.

{Tape 2; Side A}

Sandy Oitzinger, Executive Director, MT. Juvenile Probation Officers Association, gave a background of juvenile officers responsibilities. She addressed the fiscal note and felt there was no significant local government impact within the fiscal note and a provision would need to be placed on it.

Opponents' Testimony: None

Questions from Committee Members and Responses:

REP. DAVE LEWIS asked about the cost projections. **Joe Williams, Department of Corrections,** described the process of cost projections. He mentioned placements and how the process would work.

REP. LEWIS asked about restriction of placements. **Joe Williams** said there could be restriction of placements, but court orders were issued to the department.

REP. TIM CALLAHAN asked how many times the department would be ordered to make a placement. **Joe Williams** thought it might be less than 100. He explained the denial and how it was written within a court order.

REP. CALLAHAN asked if who would be responsible for the placements. **Joe Williams** said the department would be responsible and they ask the state to assist with considering all options.

REP. WITT asked if the bill would make any difference. **Joe Williams** wanted the department to continue the way the process originally worked.

REP. WITT asked if there was no money, would there be a need for the bill. **SEN. WATERMAN** answered yes, there was a need for the bill. She explained the pilot projects would sunset if the bill was no longer.

REP. CHRISTINE KAUFMANN asked the relation of SB 146 and this bill. **SEN. WATERMAN** explained the differences and how this bill would pertain to placement issues.

REP. KAUFMANN asked if both of the bills could pass. **SEN. WATERMAN** said if this bill passed SB 146 would be nullified.

REP. KAUFMANN asked the same question for response. **Mike Ferriter, Administrator, Community Corrections Division**, mentioned the money towards placement for juveniles. He addressed SB 146 making changes to the youth court and has been amended.

REP. STANLEY FISHER asked what would happen if this bill would not pass. **Mike Ferriter** explained the change in operation from SB 146.

REP. JEFF PATTISON asked about placements versus programs. **Bob Peake** said the placement committee could assist with recommendations for a program or a out of home placement.

REP. PATTISON asked if there was a list of juvenile placements. **Bob Peake** said a list had been worked upon and it was state licensed.

{Tape 2; Side B}

REP. BUZZAS asked if this was the only existing bill relating to the projects. **Mike Ferriter** admitted he was not opposed to the concept of the bill. He felt this bill may be amended to work with other bills pertaining to projects and placements.

REP. BUZZAS asked if it would be cheaper to keep a child within the community instead of placement. **Mike Ferriter** answered yes.

Closing by Sponsor:

SEN. MIGNON WATERMAN, SD 26, HELENA, summarized the bill and felt the base issue dealt with the pilot programs. She mentioned SB 146 and how it would not deal with pilot programs and they should be worked upon. She believed if the probation officers and department worked together it would solve the issue.

HEARING ON SB 394

Sponsor: SEN. DEBBIE SHEA, SD 18, BUTTE

Proponents: REP. RICK LAIBLE, HD 59, VICTOR
REP. JIM KEANE, HD 36, BUTTE
J.D. Lynch, School District, Butte
Terry Minnow, MEA-MFT
Kathy Fabiano, Office of Public Instruction

Opponents: None

Opening Statement by Sponsor:

SEN. DEBBIE SHEA, SD 18, BUTTE, emphasized the need for school funding and the issue of declining enrollment. She expressed spending time with Job Corp and how they dealt with school age children. She said the bill would form a partnership through an inner-local cooperative agreement with Job Corp and a Montana school district. She explained the agreement and referred to Section one and Subsection two of the bill. She addressed the fiscal note and offered how A&B would be kept with no decline in enrollment.

Proponents' Testimony:

REP. RICK LAIBLE, HD 59, VICTOR, mentioned the Job Corps locations in the state. He felt there was a need to incorporate children to continue their education with the assistance of Job Corp. He said this bill would give children a chance and offer them as an asset in the job world.

REP. JIM KEANE, HD 36, BUTTE, expressed working with Job Corp and training others. He felt this would offer a benefit for students and it would assist the high schools be able to contain the A&B.

J.D. Lynch, School District, Butte, addressed the need for alternatives to students. He said the benefits of Job Corp would be a great enhancement towards future growth in Montana. He thought this legislation would assist in saving lives, offering students opportunities instead of becoming a prison inmate.

Terry Minnow, MEA-MFT, supported the bill and felt the bill would maintain local control, be cost effective and was a positive step to improve educational opportunities in Montana.

Kathy Fabiano, Office of Public Instruction, mentioned the classes offered by Job Corp would be approved by the district and count towards the student's graduation. She stated the bill was

a local control issue and would provide flexibility to students and districts.

Opponents' Testimony: None

Questions from Committee Members and Responses:

REP. LEWIS asked what the outer limits of numbers the Job Corps could take. **REP. KEANE** stated the size of Job Corps and mentioned approximately 70% of the students were from out of state.

REP. WITT asked about Job Corps sites being in the west part of the state and if they could build one in eastern Montana. **SEN. SHEA** thought there was a need for Job Corps in other areas.

REP. DAVE KASTEN asked if it was a six month program. **REP. KEANE** said the maximum for a student to spend at the Job Corp would be two years.

{Tape 3; Side A}

REP. KASTEN asked how the year is laid out. **REP. KEANE** explained the students and how long their stay within Job Corps would be.

REP. FISHER asked if a student dropped out, would the high school still obtain the A&B funding. **SEN. SHEA** explained how the high school district makes the recommendation for a program to begin. She said the high school would collaborate with Job Corps and save their A&B funding.

REP. FISHER asked if this was similar to jobs mentioned for students through the subcommittee. **SEN. SHEA** explained the differences and how jobs would be in a home base for students.

REP. BUZZAS asked about the process involved. **SEN. SHEA** said it would be an alternative setting for students and would offer a benefit.

REP. BUZZAS asked if the assumption was for students to return to their high schools to graduate. **SEN. SHEA** answered yes and mentioned there would be a counselor or teacher working with Job Corps keeping track of the student's progress during the time.

CHAIRMAN STEVE VICK asked about the age requirements. **REP. KEANE** answered it would be between 16 and 24 to enter Job Corps.

CHAIRMAN VICK asked who would determine how long the program would go for. **REP. KEANE** said the instructor would determine how long the program would last.

REP. ART PETERSON asked if these were accredited schools. **SEN. SHEA** answered yes.

REP. JOE TROPILA asked if there was similarities between Job Corps and alternative high schools. **J.D. Lynch** explained the similarities and emphasized how alternative schools were not a resident school with structure.

REP. TROPILA asked if life skills would be taught through Job Corps. **J.D. Lynch** said it would be beneficial to the student learning skills to grow with.

REP. PATTISON asked if there was a certificate of completion for the students. **REP. KEANE** answered yes. He explained the structure of the programs and how it would be documented to receive certification.

Closing by Sponsor:

SEN. DEBBIE SHEA, SD 18, BUTTE, addressed how school districts make the determination for a student to attend the Job Corp to receive A&B funding. She said it would offer students an opportunity and Montana students would come first towards attending a Job Corp.

HEARING ON SB 131

Sponsor: **SEN. MIKE TAYLOR, SD 37, PROCTOR**

Proponents: **Barbara Ranf, Director, Department of
Administration, Governors Office**

Opponents: **None**

Opening Statement by Sponsor:

SEN. MIKE TAYLOR, SD 37, PROCTOR, said the bill would deal with information technology of state government as it relates to planning, accountability and oversight towards the budget and Governors office. He gave a background of committees he served on and the effects of information technology through the years. He felt there was a need for this legislation creating an information officer, information board with oversight involved.

Proponents' Testimony:

Barbara Ranf, Director, Department of Administration, Governors Office, handed out highlights pertaining to information technology **EXHIBIT (aph75b03)**. She explained the benefits of information technology for the state and the need for this legislation.

Opponents' Testimony: None

Questions from Committee Members and Responses:

REP. KASTEN asked what department would supervise the information officer hired. **SEN. TAYLOR** said the Department of Administration would make that decision.

{Tape 3; Side B}

REP. BUZZAS asked if there was a reason for the bill. **SEN. TAYLOR** felt there was direction needed for this legislation and the Governor would like the input of the Legislators.

REP. MONICA LINDEEN asked for a response towards an amendment to include a member of the PSC committee to advise the CIO. **SEN. TAYLOR** preferred not to have an amendment for that area. He was not opposed to having a member on the board.

REP. LINDEEN asked if there was any language in the bill relating to contract authority. **SEN. TAYLOR** explained the funding and where the oversight for the plan would be established.

REP. LINDEEN asked who would sign off on the contract. **Tony Herbert, Administrator, Information Services Division**, referred to page six of the bill and explained the approval of contracts.

REP. LINDEEN asked for detail regarding the enforcement language added. **Barbara Ranf** pointed to Section eight and explained the additions.

REP. TROPILA asked if this would coordinate information. **Tony Herbert** mentioned the intent of the bill dealing with coordination of information.

REP. LEWIS asked for clarification of Section eight. **Barbara Ranf** explained the intent making the department accountable.

CHAIRMAN VICK handed out possible amendments SB013101.ash **EXHIBIT (aph75b04)**, SB013101.and **EXHIBIT (aph75b05)**. **Tony Herbert**

explained the amendments and effects they would have towards the bill.

REP. LINDEEN asked about a chief information officer having authority. **REP. LEWIS** remembered the discussion and explained the enforcement language to offer authority.

REP. MCCANN wondered about the support of non-professionals on the board and how this would be necessary for government issues. **SEN. TAYLOR** thought the accountability would be the necessity of the bill. He agreed information technology should be for the people of the state.

REP. MCCANN thought people should be in the capacity of advising and participate with the information. **SEN. TAYLOR** said the board would be an advisory.

REP. LINDEEN referred to the fiscal note and asked about the impact. **SEN. TAYLOR** believed the Justice Department had taken another look at the fiscal note and there may be no need for further funding of this bill. **Larry Fasbender, Deputy Director, Department of Justice**, mentioned the work involved with the bill and the need for additional people. He thought there would be costs involved due to the functions of the bill.

REP. TROPILA asked for response from the Public Service Commission regarding the amendment. **Susan Good, MT. Public Service Commission**, thought small agencies should participate with this group and offer input towards the authority.

{Tape 4; Side A}

REP. KAUFMANN asked what particular responsibilities would be placed on the Department of Justice. **Larry Fasbender** said they would be required to develop plans in advance and he explained the process.

REP. KAUFMANN asked if there was a difference between the departments. **Larry Fasbender** explained the workload involved and the additional responsibilities.

REP. BOB DAVIES referred to Section eight and asked about the director. **SEN. TAYLOR** answered this would reflect the Department of Administration.

REP. DAVIES asked about the board advisory policies. **SEN. TAYLOR** explained the interim committees offering the rules and regulations.

REP. DICK HAINES asked the relation of the GIS activities with state agencies. **Tony Herbert** mentioned the activities involved and how this bill would address agencies with communication.

REP. HAINES asked about the enforcement from an agency. **Tony Herbert** said it would offer the department the ability to work with an agency outside of the standard requirements.

REP. HAINES asked if these plans would be monitored and have direction. **Tony Herbert** answered yes, there would be direction by researching the GIS activities.

REP. LINDEEN wondered about having a chief information officer.

SEN. TAYLOR said yes, there was a need for an officer. He explained the reasons for the authority.

Closing by Sponsor:

SEN. MIKE TAYLOR, SD 37, PROCTOR, closed on the bill and explained how the Governors office reviewed the legislation, researching information technology that would be user-friendly for the state. He felt authority was given for this bill to assist the state with coordination and better information technology groups.

ADJOURNMENT

Adjournment: 12:00 P.M.

REP. STEVE VICK, Chairman

CECILE M. TROPILA, Transcriptionist

SV/PB

EXHIBIT (aph75bad)